

# School Transit Subsidy

www.washingtondc.gov

| Description      | FY 2003 Approved | FY 2004 Proposed | % Change |
|------------------|------------------|------------------|----------|
| Operating Budget | \$3,100,000      | \$3,650,000      | 17.7     |

The mission of the School Transit Subsidy is to provide funding, policy recommendations, and coordination services to the Washington Metropolitan Area Transit Authority (WMATA), in order to provide the District of Columbia school students with an efficient, affordable, and diverse means of travel.

D.C. Law 2-152, the “School Transit Subsidy Act of 1978” as amended by D.C. Law 4-33, the “School Transit Fare Act of 1981” and D.C. Law 11-52, the “Omnibus Budget Support Act of 1995”, authorizes the payment of a subsidy, under the direction of the District’s Mass Transit Office, for the transportation of District students to and from school and related educational activities. The legislation prescribing the eligibility requires that students must reside in the District of Columbia; be under 19 years of age except for students with disabilities for whom reduced fares shall be available through the end of the semester when the students reach 22 years of age; be enrolled in a public, private or parochial school in the District of Columbia; and need to use Metrobus/or Metrorail for travel to and from school and related educational activities in the District.

The agency plans to fulfill its mission by achieving the following strategic result goal:

- Provide subsidized Metrobus and Metrorail service to eligible District students.

| Did you know...                               |                    |
|---|--------------------|
| Telephone                                     | (202) 671-0532     |
| Program Manager                               | Douglas Stallworth |
| Students requiring transit subsidy in FY 2002 | 68,800             |
| Monthly passes sold                           | 7,000              |
| Number of student trips                       | 6.2 million        |
| Increase of trips over FY 2001                | 1.2 million        |

## Where the Money Comes From

Table KD0-1 shows the sources of funding for the School Transit Subsidy.

Table KD0-1

### FY 2004 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

|                               | Actual<br>FY 2001 | Actual<br>FY 2002 | Approved<br>FY 2003 | Proposed<br>FY 2004 | Change<br>From<br>FY 2003 | Percent<br>Change |
|-------------------------------|-------------------|-------------------|---------------------|---------------------|---------------------------|-------------------|
| Local Fund                    | 2,973             | 2,894             | 3,100               | 3,650               | 550                       | 17.7              |
| <b>Total for General Fund</b> | <b>2,973</b>      | <b>2,894</b>      | <b>3,100</b>        | <b>3,650</b>        | <b>550</b>                | <b>17.7</b>       |
| <b>Gross Funds</b>            | <b>2,973</b>      | <b>2,894</b>      | <b>3,100</b>        | <b>3,650</b>        | <b>550</b>                | <b>17.7</b>       |

## How the Money is Allocated

Table KD0-2 shows the FY 2004 proposed budget for the agency at the Comptroller Source Group level (Object Class level).

Table KD0-2

### FY 2004 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

|  | Actual<br>FY 2001 | Actual<br>FY 2002 | Approved<br>FY 2003 | Proposed<br>FY 2004 | Change<br>from<br>FY 2003 | Percent<br>Change |
|--|-------------------|-------------------|---------------------|---------------------|---------------------------|-------------------|
| 20 Supplies and Materials                  | 0                 | 0                 | 2                   | 2                   | 0                         | 0.0               |
| 41 Contractual Services - Other            | 117               | 850               | 117                 | 117                 | 0                         | 0.0               |
| 50 Subsidies and Transfers                 | 2,846             | 2,044             | 2,951               | 3,501               | 550                       | 18.6              |
| 70 Equipment & Equipment Rental            | 10                | 0                 | 30                  | 30                  | 0                         | 0.0               |
| <b>Subtotal Nonpersonal Services (NPS)</b> | <b>2,973</b>      | <b>2,894</b>      | <b>3,100</b>        | <b>3,650</b>        | <b>550</b>                | <b>17.7</b>       |
| <b>Total Proposed Operating Budget</b>     | <b>2,973</b>      | <b>2,894</b>      | <b>3,100</b>        | <b>3,650</b>        | <b>550</b>                | <b>17.7</b>       |

## Local Funds

The proposed budget is \$3,650,000, representing an increase of \$550,000 over the FY 2003 approved budget of \$3,100,00. A change from the FY 2003 approved budget is:

- An increase of \$550,000 reflecting a mayoral enhancement for actual program costs.

## Programs

The Mass Transit Division, D.C. Department of Transportation, manages this program in conjunction with WMATA and the D.C. Public Schools.

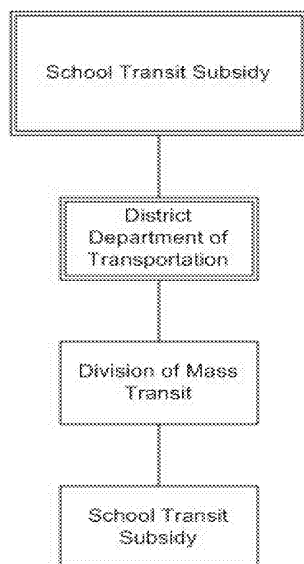
The Mass Transit Division Services/Activities:

- Certify the eligibility of students to travel on Metrobus and Metrorail;
- Distribute applications for bus tokens;
- Issue student cards to permit subsidized Metrorail travel;
- Administer special programs for student travel during summer and on weekends;
- Verify monthly student ridership; and
- Process the quarterly subsidy payments to WMATA.

The School Transit Subsidy is a dynamic program due to ridership changes resulting from

Figure KD0-1

## School Transit Subsidy



shifting school enrollment, temporary and permanent school closings, the creation of charter schools, and changes in school transit fares and fare media.

In addition, D.C. Law 11-52, the “Omnibus Budget Support Act of 1995”, reduced the subsidy rate from two-thirds to one-half of full bus fare beginning in July 1995. Since then the cost of the annual subsidy to the District had been steadily declining. From \$4.35 million in FY 1995, the budget has been reduced to \$3.1 million for FY 2003.

At the request of the District of Columbia in an effort to simplify transit fare payment by students in the city, WMATA implemented a monthly SmartStudent pass program in January 2001. This pass is valid for a month of unlimited travel on Metrobus and Metrorail in the District at a cost of \$20 to eligible students. As with other student fare media, the subsidized portion of the total cost of this pass is funded through the District’s School Transit Subsidy Program. WMATA is reimbursed \$20 for each pass sold for a total amount of \$40 received by the Transit Authority. This is the same amount conventional riders pay for 4 weekly bus passes. Since the passes are also accepted on Metrorail, WMATA is also reimbursed the difference between the full regular fare for the student trips

(estimated at \$1.45 on weekdays) and the base fare (\$1.10), or 35 cents for all student trips made each month using the student pass.

Currently, about 7,000 passes are sold each month during the school year. Total subsidized student ridership in FY 2002 was 6.2 million trips, an increase of 25 percent over the 5 million trips in FY 2001, due primarily to use of the SmartStudent pass. School transit ridership is expected to level off in FY 2003 and FY 2004, as the SmartStudent pass reaches maximum market penetration.

## Agency Goals and Performance Measures

### Goal 1: To provide subsidized Metrobus and Metrorail ridership to eligible District students.

*Citywide Strategic Priority Area(s):* Strengthening Children, Youth, Families, and Elders;

Building Sustainable Neighborhoods

*Manager(s):* Douglas Stallworth, Transportation Planner

*Supervisor(s):* Alex Eckmann, Administrator

#### Measure 1.1: Number of rail cards issued (thousands)

|        | Fiscal Year |      |      |      |      |
|--------|-------------|------|------|------|------|
|        | 2001        | 2002 | 2003 | 2004 | 2005 |
| Target | 12.8        | 13   | 13   | 13   | 13   |
| Actual | 13          | 13.1 | -    | -    | -    |

#### Measure 1.2: Number of token books issued (thousands)

|        | Fiscal Year |      |      |      |      |
|--------|-------------|------|------|------|------|
|        | 2001        | 2002 | 2003 | 2004 | 2005 |
| Target | 11.9        | 12   | 12   | 12   | 12   |
| Actual | 11.2        | 11.2 | -    | -    | -    |

#### Measure 1.3: Monthly school ridership on Metrobus (thousands)

|        | Fiscal Year |      |      |      |      |
|--------|-------------|------|------|------|------|
|        | 2001        | 2002 | 2003 | 2004 | 2005 |
| Target | 275         | 310  | 310  | 310  | 310  |
| Actual | 308         | 308  | -    | -    | -    |

Note: The agency has revised its FY 2002 and FY 2003 targets from 280,000 to 310,000, based on new projections.

#### Measure 1.4: Monthly school ridership on Metrorail (thousands)

|        | Fiscal Year |       |      |      |      |
|--------|-------------|-------|------|------|------|
|        | 2001        | 2002  | 2003 | 2004 | 2005 |
| Target | 80.1        | 107   | 107  | 107  | 107  |
| Actual | 106.6       | 106.7 | -    | -    | -    |

Note: The agency has revised its FY 2002 and FY 2003 targets from 81,000 to 107,000, based on new projections.